



Summary of City of Merced Cannabis Ordinance (No. 2480)

- Specific commercial cannabis businesses are allowed as a special use in the City of Merced within certain commercial and industrial zoning districts and Planned Developments which have the equivalent General Plan land use designations of those zones per Table 20.44-1 below. Those businesses that are permitted in each zone are noted with a “P”, and those businesses not allowed in each zone are noted with an “X”.
- All commercial cannabis businesses must obtain a Commercial Cannabis Business Permit (CCBP) from the City. The number of dispensaries/retail sales businesses is limited to a maximum of four (4). CCBP’s must be renewed each year and pay annual regulatory fees to ensure monitoring and enforcement.
- The process for obtaining a Commercial Cannabis Business Permit is as follows:
 - For dispensaries/retail sales for which there is a limitation on the number of permits (4):
 - A 2-step application review process is in place, which includes a merit-based review of all applications that passed Phase 1 by a panel of the City Manager, Police Chief, and the Director of Development Services. The panel will recommend the top applicants to move forward with a public hearing before the Planning Commission.
 - Planning Commission public hearings will be held and the CCBP will be approved or denied. Appeals to the City Council would be allowed.
 - For all other cannabis businesses with no limitation on the number of permits:
 - There would be no merit-based process and all those that pass Phase 1 will go to the Planning Commission for public hearings after extensive background checks.
- Specific operating requirements that address security, product storage, operating hours, disposal, etc., are provided for all the different types of cannabis businesses (cultivation, manufacturing, distribution, testing, deliveries, and retail sales/dispensaries). In general, all cannabis activities, including cultivation, must take place indoors.
- Distance requirements from sensitive land uses are also required as follows:
 - A Cannabis Business that involves a Dispensary/Retail Sales is not allowed within 1,000 feet of a school;
 - A Cannabis Business of any other type (not retail sales) is not allowed within 600 feet of a school.
 - A Cannabis Business of any type is not allowed within 600 feet of a day care center, a youth center, a public park (not including bike paths), or a library.

- Specific regulations are imposed on the cultivation of cannabis for personal use in private residences in residential zones. In general, the cultivation of cannabis is only allowed indoors and is limited to the number of plants allowed in State law (6).

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